

§§ 1737.33–1737.39 [Reserved]

Subpart E—Interim Financing of Construction of Telephone Facilities

§ 1737.40 General.

(a) Under special circumstances a borrower may request that RUS approve interim financing for interim construction. This subpart describes the circumstances in which RUS will consider approving interim financing of construction, the information to be submitted to RUS to support the borrower's request, RUS's requirements relating to interim construction, and related matters.

(b) For a borrower to preserve the option of obtaining loan funds for reimbursement of interim financing, it must obtain prior RUS approval of its interim financing plan and follow the procedures in 7 CFR 1737.41 and 7 CFR 1737.42.

(c) RUS will approve interim financing only for projects which must be performed immediately.

(d) RUS approval of interim financing is not a commitment that RUS will make loan funds available.

(e) Equal employment opportunity requirements apply to interim construction. See RUS Bulletin 320–15.

§ 1737.41 Procedure for obtaining approval.

(a) The borrower shall submit to the RUS Area Office a written request for approval of interim financing. This request shall include:

(1) A description of the construction proposed under interim financing.

(2) An explanation of the urgency of proceeding with the proposed construction.

(3) An estimate of the cost.

(4) The source of funds to be used for interim financing.

(b) RUS will not approve interim financing until it has reviewed and found acceptable:

(1) All of the information required under § 1737.21; or

(2) The following documents:

(i) The loan application (RUS Form 490) clearly marked “in support of interim financing request.”

(ii) The Loan Design (LD), or the portion thereof that covers the proposed construction if the completed LD is not available. See 7 CFR 1737.32.

(iii) Evidence that the borrower has satisfied the requirements of 7 CFR part 1794 applying to the proposed interim construction.

(iv) A statement that the borrower is or is not delinquent on any Federal debt, such as income tax obligations or a loan guarantee from another Federal agency. If delinquent, the reasons for the delinquency must be explained and RUS will take such explanation into consideration in deciding whether to approve the interim financing, see 7 CFR 1737.22(b)(9).

(v) A “Certification Regarding Lobbying” for loans, or a “Statement for Loan Guarantees and Loan Insurance” for loan guarantees, and when required, an executed Standard Form LLL, “Disclosure of Lobbying Activities,” (see section 319, Pub. L. 101–121 (31 U.S.C. 1352)).

(vi) Executed copy of Form AD–1047, “Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions” (see appendix A to 7 CFR part 3017).

(vii) Any other supporting data required by the Administrator.

(c) RUS will not approve a borrower's request for approval of interim financing if, in RUS's judgment:

(1) The proposed interim financing does not comply with the requirements of this subpart.

(2) The proposed interim construction will not qualify for RUS financing.

(3) The proposed interim financing presents unacceptable loan security risks to RUS, or otherwise is not in the best interests of RUS.

(Approved by the Office of Management and Budget under control number 0572–0079)

[54 FR 13356, Apr. 3, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, as amended at 56 FR 26599, June 10, 1991; 59 FR 54381, Oct. 31, 1994]

§ 1737.42 Procedure for construction.

(a) If RUS approves the interim financing, interim construction shall be conducted in accordance with 7 CFR Part 1753, 7 CFR 1788, RUS Bulletin 320–15, and RUS Bulletins 381–1, 381–2, 381–4, 381–7, 381–8, 381–9, 381–10, 381–11, 381–